

Message Text

LIMITED OFFICIAL USE

PAGE 01 ROME 11428 151715Z

66

ACTION EUR-12

INFO OCT-01 IO-13 ISO-00 AID-05 CEA-01 CIAE-00 COME-00

EB-07 FRB-03 INR-07 NSAE-00 CIEP-01 SP-02 STR-04

TRSE-00 LAB-04 SIL-01 SAM-01 OMB-01 PA-01 PRS-01

USIA-06 /071 W

----- 024762

R 151512Z JUL 76

FM AMEMBASSY ROME

TO SECSTATE WASHDC 8873

INFO AMEMBASSY BONN

AMEMBASSY BRUSSELS

US MISSION EC BRUSSELS

AMEMBASSY COPENHAGEN

AMEMBASSY DUBLIN

US MISSION GENEVA 562

USDEL MTN GENEVA

AMEMBASSY LONDON

AMEMBASSY LUXEMBOURG

AMCONSUL MILAN

AMCONSUL NAPLES

AMEMBASSY PARIS

US MISSION OECD PARIS

AMEMBASSY THE HAGUE

AMCONSUL TURIN

LIMITED OFFICIAL USE ROME 11428

PASS TREASURY AND FRB

E.O. 11652: N/A

TAGS: EFIN, ETRD, IT

SUBJECT: EXTENSION OF ITALIAN PRIOR DEPOSIT PROGRAM

REF: (A) ROME 11379, (B) ROME 11177, (C) ROME 11425

LIMITED OFFICIAL USE

LIMITED OFFICIAL USE

PAGE 02 ROME 11428 151715Z

1. DURING JULY 14 MEETING WITH EMBOFF TO REVIEW GOI PER-

CEPTIONS OF EC COUNCIL DISCUSSION OF GOI PRIOR DEPOSIT PROGRAM, MINISTRY OF FOREIGN AFFAIRS (MFA) REP SPINELLI (EC/GATT AFFAIRS OFFICE) CONFIRMED THAT ITALIAN PRIOR DEPOSIT MEASURE HAD BEEN AMPLY DISCUSSED BY COUNCIL (SEE REF C FOR MINISTRY OF TREASURY VIEWS THIS SUBJECT.). GOI PRESENTATION, ACCORDING TO SPINELLI, STRESSED BENEFITS OF MEASURE IN TERMS OF LIRA STABILITY AND REDUCED DOMESTIC LIQUIDITY, NOTED ABSENCE OF GOVERNMENT AND EXPRESSED CONCERN FOR POSSIBLE EFFECTS IF MEASURE WERE LIFTED AS SCHEDULED ON AUGUST 3. FOLLOWING PRESENTATION, NO RPT NO SERIOUS OBJECTIONS WERE RAISED TO ITS POSSIBLE EXTENSION. GOI, ACCORDING TO SPINELLI, INTERPRETS THIS TO MEAN THAT NO RPT NO SERIOUS BARRIERS EXIST AT THE EC LEVEL TO AN ADDITIONAL TEMPORARY EXTENSION. SPINELLI INDICATED THAT THE GOI WAS CURRENTLY IN PROCESS OF DETERMINING NEXT STEPS; HE EXPECTED THAT A DECISION WOULD BE MADE WITHIN NEXT WEEK OR SO. COMMENT: IN REFTTEL C, MINTREASURY DG PALUMBO SPELLED OUT GOI SCHEDULE IN SOME DETAIL. END COMMENT.

2. EMBOFF NOTED THAT USG WAS NOT IN FAVOR OF PRIOR DEPOSIT SCHEME AS MATTER OF PRINCIPLE BUT THAT WE WERE AWARE OF DIFFICULT ITALIAN ECONOMIC AND POLITICAL SITUATION. EMBOFF REMINDED SPINELLI THAT USG WAS AWAITING A RESPONSE TO ITS REPRESENTATION ON DISCRIMINATION AGAINST US-FLAG CARRIERS AND EXPRESSED HOPE THAT EXTENSION, IF ANY, OF PRIOR DEPOSIT SCHEME WOULD TERMINATE SUCH DISCRIMINATORY TREATMENT. SPINELLI ASSERTED THAT A REPLY TO THE EMBASSY WAS UNDER CONSIDERATION AND THAT THE GOI WOULD RESPOND SHORTLY, PERHAPS BY EARLY IN THE WEEK OF JULY 19.

3. PRESS REPORTS JULY 15 STATE THAT GOI HAS RECEIVED GO-AHEAD FROM EC EXECUTIVE COMMISSION FOR A THREE-MONTH EXTENSION BASED ON FORMAL ITALIAN REQUEST. PRESS NOTES THAT FORMAL RATIFICATION WILL BE FORTHCOMING ONLY AFTER ROUND OF CONSULTATION IN NATIONAL CAPITALS AND FORMAL CONSIDERATION AT EC LEVEL. VOLPE

LIMITED OFFICIAL USE

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: BANK DEPOSITS, ECONOMIC PROGRAMS, CURRENCY CONTROLS
Control Number: n/a
Copy: SINGLE
Draft Date: 15 JUL 1976
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: ShawDG
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1976ROME11428
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: N/A
Errors: N/A
Film Number: D760273-1055
From: ROME
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1976/newtext/t19760755/aaaabwct.tel
Line Count: 97
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION EUR
Original Classification: LIMITED OFFICIAL USE
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: LIMITED OFFICIAL USE
Previous Handling Restrictions: n/a
Reference: 76 ROME 11379, 76 ROME 11177, 76 ROME 11425
Review Action: RELEASED, APPROVED
Review Authority: ShawDG
Review Comment: n/a
Review Content Flags:
Review Date: 05 APR 2004
Review Event:
Review Exemptions: n/a
Review History: RELEASED <05 APR 2004 by greeneet>; APPROVED <12 AUG 2004 by ShawDG>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
04 MAY 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: EXTENSION OF ITALIAN PRIOR DEPOSIT PROGRAM
TAGS: EFIN, ETRD, IT
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 04 MAY 2006